

**SECRET**

2 AUG 1957

**MEMORANDUM FOR: Chief, FE Division**

**ATTENTION:**

[Redacted]

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**SUBJECT:**

**Two Proposals Relating to Lapses  
in Hospitalization Insurance**

**REFERENCE:**

**Your Memorandum, Same Subject,  
Dated 20 June 1957**

1. Reference memorandum to the Director of Personnel has been referred to this office for reply. Upon careful consideration of the suggestions made, we offer the following comments.

2. Admittedly, the number of delinquent payments presents a problem to all offices concerned. In anticipation of this problem, Book Dispatch No. 117 emphasized to all overseas employees the need for timely payment of premiums. Further emphasis of this requirement is made on the fly leaf of the GEHA booklet which was distributed to the field only last fall. Additional emphasis is made by our Division representatives when dealing with employees preparing to go overseas. Beyond these efforts which have been made, we feel that the responsibility for the timely payment of premiums rests with the employee and that no additional reminder is required. For those employees who continue to have difficulty making timely payment, arrangements can be made (upon authorization by the employee) for payroll deductions of insurance premiums or, if this is not possible, other arrangements can be made, e.g., a series of post-dated checks.

3. As to your suggestion that we prepare dispatches on delinquent payments, the total number of delinquent payments in all overseas areas would make this very difficult. A suggested alternative is that our present delinquent notice be revised in such a fashion that it could be attached to other mat-

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erial regularly sent to the station concerned without the need of a covering dispatch. We shall look further into this possibility.

FOR THE DIRECTOR OF PERSONNEL

[redacted]  
Chief, Benefits and Casualty Division

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